

Message to the Senate Transmitting the Protocol Amending the Canada-United States Taxation Convention

March 13, 2008

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Protocol Amending the Convention Between the United States of America and Canada with Respect to Taxes on Income and on Capital done at Washington on September 26, 1980, as Amended by the Protocols done on June 14, 1983, March 28, 1984, March 17, 1995, and July 29, 1997, signed on September 21, 2007, at Chelsea (the “proposed Protocol”). The proposed Protocol would amend the existing income tax Convention between the United States and Canada that was concluded in 1980, as amended by prior protocols (the “existing Treaty”). Also transmitted for the information of the Senate is the report of the Department of State with respect to the proposed Protocol.

The proposed Protocol would eliminate withholding taxes on cross-border interest payments. In addition, the proposed Protocol would coordinate the tax treatment of contributions to, and other benefits of, pension funds for cross-border workers.

The proposed Protocol also includes provisions related to the taxation of permanent establishments, so-called dual-resident corporations, income derived through certain entities that are considered fiscally transparent, and former U.S. citizens and long-term residents. The proposed Protocol further strengthens the existing Treaty’s provisions that prevent the Treaty’s inappropriate use by third-country residents. The proposed Protocol also provides for mandatory resolution of certain cases before the competent authorities.

I recommend that the Senate give early and favorable consideration to the proposed Protocol and give its advice and consent to ratification.

GEORGE W. BUSH

The White House,
March 13, 2008.

NOTE: This message was released by the Office of the Press Secretary on March 14.

Remarks to the Economic Club of New York and a Question-and-Answer Session in New York City

March 14, 2008

The President. Glenn, thanks for the kind introduction. Thanks for giving me a chance to speak to the Economic Club of New York. It seems like I showed up in a interesting moment—[laughter]—during an interesting time. I appreciate the fact that you’ve assembled to give me a chance to just share some ideas with you. I also appreciate the fact that as leaders of the business and financial community, you’ve helped make this city a great place, and

you’ve helped make our country really, in many ways, the economic envy of the world.

First of all, in a free market, there’s going to be good times and bad times. That’s how markets work. There will be ups and downs. And after 52 consecutive months of job growth, which is a record, our economy obviously is going through a tough time. It’s going through a tough time in the housing market, and it’s going